

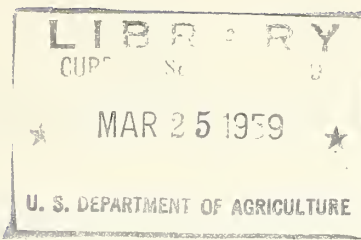
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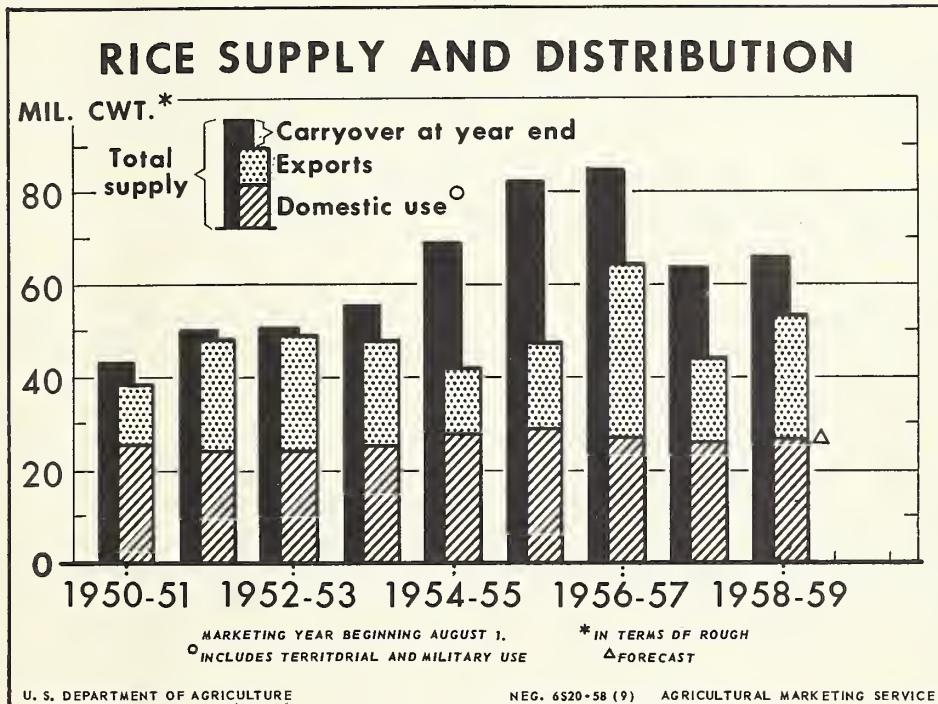
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The RICE SITUATION

RS-3



December 1958
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A sharp increase in exports is expected to reduce the rice carryover at the end of the 1958-59 marketing year to around 11.8 million cwt. (in terms of rough rice), about a third below a year earlier and two-thirds below the peak at the close of the 1955-56 year.

Exports are now estimated at 27.0 million cwt., almost half again as much as in 1957-58 and second

only to the 37.5 million in 1956-57.

Domestic use of rice -- for food, brewers, feed and seed -- is estimated at 26.5 million cwt., slightly above a year earlier.

The total supply for distribution in 1958-59 is estimated at 65.3 million cwt., consisting of a carryover August 1 of 18.1 million, a crop of 47.0 million and imports of 0.2 million.

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T H E R I C E S I T U A T I O N
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Approved by the Outlook and Situation Board, December 18, 1958

SUMMARY

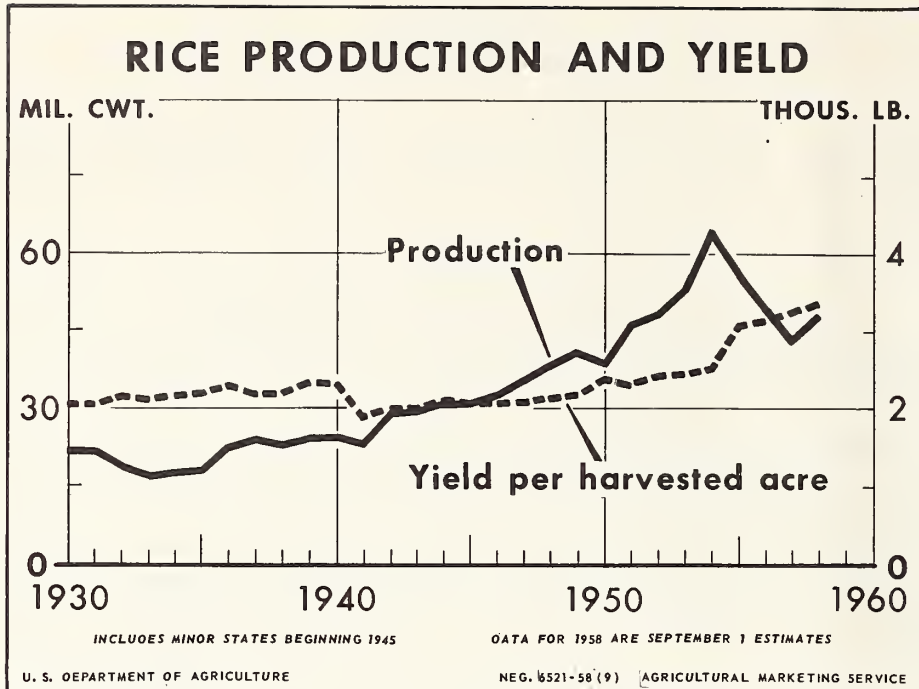
A sharp increase in exports is expected to reduce the rice carryover about a third by August 1, 1959. This would be the third consecutive reduction in the carryover from the 1956 peak.

The supply of rice for 1958-59 is estimated at 65.3 million cwt., in terms of rough rice, 2.1 million cwt. more than last year. The gain results from increased production. The 1958 crop of 47.0 million cwt. was 4.1 million above 1957 as the result of increased acreage and record yields. The August 1, 1958 carryover of 18.1 million cwt. was 2.0 million cwt. less than a year earlier. As usual, imports in 1958-59 are expected to be small, about 200,000 cwt.

Exports of rice this season are likely to rise to about 27 million cwt., almost half again as much as the 1957-58 figure. The increase largely represents barter transactions and increases in other concessional sales. Domestic use of rice is expected to be up only slightly from last year's total of 26.3 million cwt. Total disappearance of 53.5 million cwt. would leave a carryover of about 11.8 million cwt. next August 1, almost a third less than a year earlier.

Prices to farmers for rice this marketing year are expected again to average 30 cents or more above the support rate of \$4.48 per cwt. They have averaged 31 cents above so far this season. For the 1957-58 marketing year, with unredeemed loans at the support level, they averaged 39 cents above the loan.

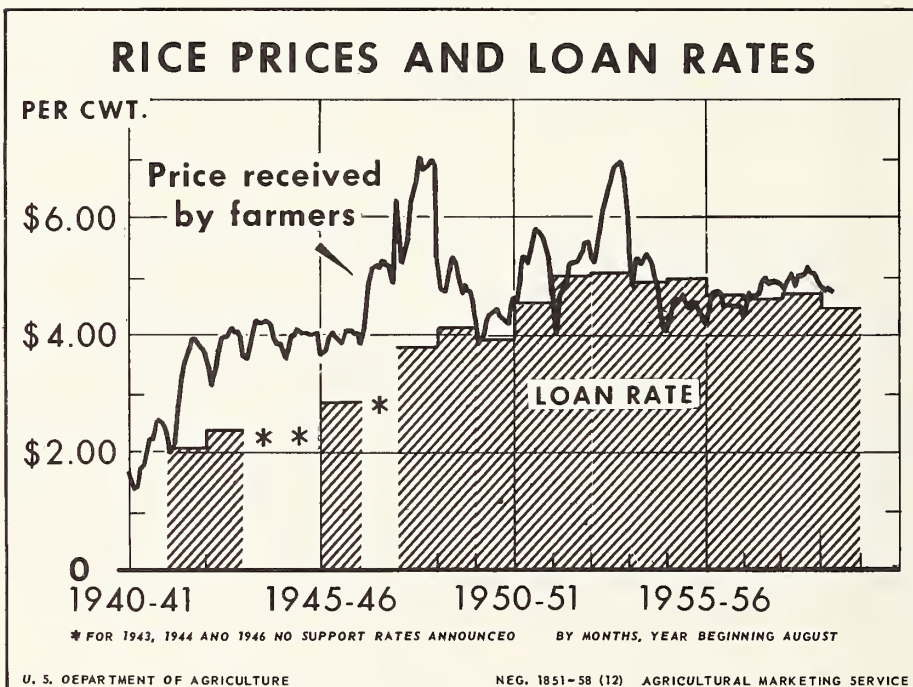
The rice supply for the coming 1959-60 marketing year may be slightly less than the 1958-59 supply because of the reduced carryover. However, the crop may well be larger. Marketing quotas and acreage allotments, approved by growers in the December 15 referendum, will again be in effect. The national allotment will again be at the minimum but acreage harvested may be larger than in 1958 because of the discontinuance of the acreage reserve program of the Soil Bank. All in all, about 1.6 million acres are likely to be harvested. Yields at about the average of the last 4 years would result in a 9 percent larger crop than in 1958. Adding in carryover and imports, the total supply would be about 63.2 million cwt. A further slight increase in domestic use may occur in 1959-60. On the basis of these figures, exports would have to total around 25 million cwt. to avoid an increase in the carryover on August 1, 1960.



Although rice yields increased sharply in 1955, and again in 1956 and 1957, reductions in acreages held production below the 1954 level. But in 1958, acreage was up 6 percent and yields up 3 percent, resulting in a

10 percent increase in production over the previous year.

The average yield per harvested acre for 1958 is indicated at 33.08 cwt., almost half again as much as the 1945-54 average of 22.52 cwt.



Prices received by farmers for rice have averaged above support levels in all but two years, 1951-52 and 1954-55. In 1957-58, they averaged 39 cents above the national sup-

port of \$4.72 per cwt. In 1958-59, they are expected again to be well above the support rate of \$4.48 per cwt.

The price support level for 1959-crop rice has been set at 75 percent of parity, the same percentage as for the 1958 crop.

The world rice crop for the year 1958-59 will far exceed any previous harvest. It is estimated at 471 billion pounds of rough rice, compared with 425 billion in 1957-58 and the record 440 billion in 1956-57. Average production from 1950-51 through 1954-55 was 394 billion pounds. The United States generally produces only about 1 percent of the world total.

Preliminary information indicates that world trade in rice for 1958 was at 1957 levels or slightly above. Although U. S. production is only a small part of the total, the U. S. is a major exporter, accounting for about 12 percent in 1957. Exports from the Indo-China countries, Taiwan, and Mainland China were up materially resulting in a higher level of exports from Asian exporting countries than in 1957. Export supplies, however, were materially down in Burma and Thailand, due to below-average crops. Exports from Mediterranean countries (Italy, Spain and Egypt) were well over last year's volume, but Western Hemisphere exports were down, principally because of the reduction in the United States.

As world trade in rice still only represents about 5 percent of total production, neither import requirements nor volume of trade are closely linked directly with production.

World consumer demand in 1958 continued its slow rise for the third year, reflecting slightly better economic conditions for some rice deficit areas, together with steadily increasing requirements because of population increases. The effective demand for rice is expected to remain relatively high in 1959. There should be no shortage of lower grades moving at base prices. While stocks of rice in importing countries such as Japan, Malaya and Ceylon are fairly large, they are still limited in Pakistan, India, Indonesia and other countries. Foreign exchange available to many deficit rice areas is still insufficient for them to obtain enough rice through the channels of trade to maintain consumption per person at 1935-39 levels. A substantial part of such requirements will have to continue to be supplied under various types of concessional sales and aid programs or through the use of cheaper but less preferred cereals.

Prices for quality grades of rice, which form a small part of the total world trade, are not likely to change a great deal in 1959. The prices of these grades may weaken slightly, but may be limited to short grain varieties. Prices of lower grades and qualities, which are a major portion of total exports, are likely to lose whatever advances that have taken place since the fall of 1957 and in general to hold somewhere near or at 1957 levels.

THE RICE SITUATION AND OUTLOOK

BACKGROUND - Between 1945 and 1953, world supplies of rice were scarce and prices rose steadily. Shortages were caused by war-time and postwar disruptions which reduced output in important rice producing countries. Although U. S. rice

Table 1.- Rice, rough equivalent: Supply and distribution, United States, 1937-59 ^{1/}

Year beginning August	Supply			Disappearance					Ending stocks	
	Begin- ning stocks	Farm production: <u>2/</u>	Imports <u>3/</u>	Total <u>4/</u>	Domestic			Exports	Total	
					Food <u>5/</u>	Industry <u>6/</u>	Feed and seed			
	cwt.	cwt.	cwt.	cwt.	cwt.	cwt.	cwt.	cwt.	cwt.	cwt.
1937	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1938	3,712	24,040	1,311	29,257	16,044	3,578	1,724	4,764	26,110	3,147
1939	3,147	23,628	1,018	28,221	14,895	2,870	1,442	4,767	23,974	4,247
1940	4,247	24,328	649	29,765	15,752	2,779	1,515	4,484	24,530	5,235
1941	5,235	24,495	334	29,745	16,471	2,944	1,723	5,651	26,789	2,956
1942	2,956	23,095	126	26,690	15,187	2,451	1,933	6,552	26,123	567
1943	567	29,082	136	29,552	16,017	2,278	1,971	6,961	27,227	2,325
1944	2,325	29,264	77	30,213	16,619	2,747	1,950	7,069	28,385	1,828
1945	1,828	30,974	77	31,760	14,925	3,155	1,921	10,201	30,202	1,558
1946	1,558	30,704	127	32,339	14,120	3,439	2,056	11,469	31,084	1,255
1947	1,255	32,538	9	33,052	15,491	2,530	2,144	12,291	32,456	596
1948	596	35,261	27	35,843	15,170	4,572	2,298	13,055	35,095	748
1949	748	38,328	53	38,975	15,346	4,307	2,439	14,378	36,470	2,505
1950	2,505	40,789	62	43,138	16,585	4,724	2,136	16,224	39,669	3,469
1951	3,469	38,845	787	43,438	18,252	4,866	2,634	13,167	38,919	4,519
1952	4,519	46,121	542	50,514	17,014	4,750	2,652	24,058	48,474	2,040
1953	2,040	48,271	350	51,049	17,014	4,577	2,821	25,122	49,534	1,515
1954	1,515	52,918	417	55,565	17,343	4,560	3,408	22,708	48,019	7,546
1955	7,546	64,248	65	68,964	18,680	5,425	3,873	14,286	42,264	26,700
1956	26,700	55,969	194	82,335	19,080	6,114	3,885	18,656	47,735	34,600
1957 ^{8/}	34,600	49,498	384	84,652	19,217	5,085	2,727	37,519	64,548	20,104
1958 ^{9/}	20,104	42,955	236	62,726	18,988	4,796	2,513	18,319	44,616	18,110
1959 ^{10/}	18,110	47,038	200	65,348	19,100	4,900	2,548	27,000	53,548	11,800
	11,800	51,200	200	63,200	19,200	5,000	2,500	25,000	51,700	11,500

^{1/} Milled rice converted to rough basis at annual extraction rate. ^{2/} Includes estimates of production in minor States Missouri, South Carolina, North Carolina, Arizona, Florida, Illinois, Tennessee and Oklahoma, beginning 1945. ^{3/} Consists mostly of broken rice. ^{4/} Adjusted to equal total distribution. ^{5/} Includes shipments to territories and military food use. ^{6/} Primarily for beer production. ^{7/} Less than 500 hundredweight. ^{8/} Preliminary. ^{9/} Tentative estimates. ^{10/} Projected.

production before World War II was less than 25 million cwt., during and after the war it increased rapidly and continued to build until 1954, when it was 64 million cwt. Though large in comparison with a decade earlier, U. S. rice production in 1958 represented only about 1 percent of the world total. Table 2 shows U. S. acreage, yield and production, 1929 to 1958.

The world rice shortage began to ease in 1953 as export supplies became more abundant. Unusually favorable growing conditions and expanded acreage planted to rice, both in importing and exporting countries, improved the supply situation. By the fall of 1953, prices of rice in world trade began to move downward from record levels.

Stocks in the United States started building up in 1953-54 following the record large 1953 crop, and at the beginning of the 1954-55 marketing year the carryover was 7.5 million cwt. The combination of these carryover stocks, another record large 1954 crop and reduced exports caused the August 1, 1955 carryover to rise sharply to about 26.7 million cwt.

In view of this heavy accumulation of rice, acreage allotments and marketing quotas were proclaimed for the 1955 crop. These were approved in the referendum. Although this action resulted in a sharp reduction in acreage, a substantial increase in yield per acre boosted the 1955 production to the second highest record up to that date. An increase in domestic disappearance was not sufficient to offset the continuing accumulation, and carryout stocks on August 1, 1956 reached the record high level of 34.6 million cwt. Marketing quotas again were in effect for the 1956 crop.

Although the carryover on August 1, 1957 was cut to 20.1 million cwt. by the smaller crop and record exports, supplies continued large and quotas were again necessary for the 1957 crop. Even though exports were less than half of those of a year earlier, stocks on August 1, 1958 were reduced by another 2 million cwt. to 18.1 million cwt., as a result of a further decline in production brought about by participation in the Acreage Reserve Program.

Domestic disappearance, including shipments to Territories, increased from 20 million cwt. in 1946-47 to 29 million cwt. in 1955-56 (table 1). The quantity used by brewers, for seed and feed increased more than use for food. The increase for food reflected an increase in per capita consumption from a below-average level, as well as the rise in population. Domestic disappearance in 1956-57 and 1957-58 was reduced with reduced use by brewers and for feed.

Table 2.- Rice, rough: Acreage seeded, yield and production, Southern States, California and United States, 1929- 58

Crop year	Acreage seeded			Average yield per seeded acre			Production		
	Southern States 1/	California	United States	Southern States 1/	California	United States	Southern States 1/	California	United States
	1,000 acres	1,000 acres	1,000 acres	Pounds	Pounds	Pounds	1,000 cwt.	1,000 cwt.	1,000 cwt.
1929	765	95	860	1,989	2,709	2,069	15,216	2,574	17,790
1930	856	110	966	1,980	2,975	2,093	16,946	3,272	20,218
1931	840	125	965	1,948	2,970	2,080	16,364	3,712	20,076
1932	764	110	874	1,992	3,191	2,143	15,219	3,510	18,729
1933	690	108	798	2,005	2,880	2,123	13,833	3,110	16,943
1934	704	108	812	1,968	3,440	2,164	13,856	3,715	17,571
1935	717	100	817	2,012	3,330	2,173	14,423	3,330	17,753
1936	843	138	981	2,158	3,060	2,285	18,196	4,223	22,419
1937	967	149	1,116	2,062	2,751	2,154	19,941	4,099	24,040
1938	951	125	1,076	2,088	3,015	2,196	19,859	3,769	23,628
1939	925	120	1,045	2,192	3,375	2,328	20,278	4,050	24,328
1940	972	118	1,090	2,083	3,600	2,247	20,247	4,248	24,495
1941	1,110	153	1,263	1,739	2,475	1,829	19,308	3,787	23,095
1942	1,278	212	1,490	1,831	2,680	1,952	23,400	5,682	29,082
1943	1,280	237	1,517	1,774	2,765	1,929	22,712	6,552	29,264
1944	1,257	246	1,503	1,927	2,744	2,061	24,224	6,750	30,974
1945	2/1,270	244	1,514	1,925	2,566	2,028	2/24,442	6,262	30,704
1946	2/1,333	264	1,597	1,847	2,997	2,037	2/24,625	7,913	32,538
1947	2/1,462	259	1,721	1,862	3,102	2,049	2/27,226	8,035	35,261
1948	2/1,565	264	1,829	2,013	2,588	2,096	2/31,496	6,832	38,328
1949	2/1,573	312	1,885	1,943	3,275	2,164	2/30,571	10,218	40,789
1950	2/1,414	241	1,655	2,162	3,432	2,347	2/30,575	8,270	38,845
1951	2/1,703	330	2,033	2,080	3,240	2,269	2/35,429	10,692	46,121
1952	2/1,704	343	2,047	2,446	3,414	2,358	2/36,560	11,711	48,271
1953	2/1,768	442	2,210	2,296	2,788	2,394	2/40,593	12,325	52,918
1954	2/2,106	504	2,610	2,473	2,413	2,462	2/52,084	12,164	64,248
1955	2/1,514	336	1,850	2,947	3,378	3,025	2/44,619	11,350	55,969
1956	2/1,313	292	1,605	2,855	4,114	3,084	2/37,486	12,012	49,498
1957 3/	2/1,144	228	1,372	2,905	4,262	3,131	2/33,237	9,718	42,955
1958 4/	2/1,188	257	1,445	2,972	4,564	3,255	2/35,308	11,730	47,038

- 1/ Southern States consist of Texas, Louisiana and Arkansas, and beginning in 1949, Mississippi and Missouri.
2/ Includes acreage and production in minor States, in thousand acres and thousand cwt. (in parentheses) as follows:
2 (36) in 1945, 2 (41) in 1946, 2 (44) in 1947, 3 (53) in 1948, 1 (20) in 1949, 2 (25) in 1950, 2 (32) in 1951, 6 (78) in 1952, 6 (84) in 1953, 5 (55) in 1954, 4 (67) in 1955, 3 (39) in 1956, 1 (20) in 1957 and 1 (23) in 1958.
3/ Preliminary.
4/ December 1 estimate.

Table 3.- Rice, milled equivalent: Total and per capita consumption, Continental U.S., 1909- 58 1/

Year beginning August	Consumption		Year beginning August	Consumption		Year beginning August	Consumption	
	Total	Per capita		Total	Per capita		Total	Per capita
	Mil. lb.	Lb.		Mil. lb.	Lb.		Mil. lb.	Lb.
1909	764	8.3	1927	737	6.2	1944	632	4.9
1910	588	6.3	1928	702	5.8	1945	539	4.0
1911	570	6.0	1929	649	5.3	1946	660	4.7
1912	645	6.7				1947	706	4.9
1913	690	7.0	1930	715	5.8	1948	732	5.0
1914	702	7.0	1931	662	5.3	1949	762	5.1
1915	701	6.9	1932	762	6.1			
1916	961	9.4	1933	553	4.4	1950	874	5.8
1917	1,060	10.2	1934	729	5.7	1951	806	5.3
1918	1,084	10.3	1935	681	5.3	1952	833	5.4
1919	655	6.2	1936	783	6.1	1953	837	5.3
			1937	783	6.1	1954	885	5.5
1920	748	7.0	1938	734	5.6	1955	957	5.8
1921	502	4.6	1939	778	5.9	1956	970	5.8
1922	585	5.2				1957	963	5.7
1923	589	5.2	1940	773	5.9			
1924	619	5.4	1941	703	5.3			
1925	606	5.2	1942	734	5.7			
1926	667	5.6	1943	694	5.4			

1/ Per capita figures are slightly above those published in the Rice Situation issued in November 1956, resulting from a changeover from the use of population estimates adjusted for underenumeration to the series not so adjusted; this was to achieve uniformity with the population series used by all other Government agencies.

In 1951-55, exports accounted for about half of the production. Exports in 1952-53 reached a record level, up to that date, of 25.1 million cwt. In 1953-54 they fell to 22.7 million cwt. and in 1954-55 to 14.3 million cwt., then rose again to 18.7 million cwt. in 1955-56. Then in 1956-57 reached a record high of 37.7 million., but in the following year they were down to 18.3 million cwt. Table 13 shows U. S. exports, on a milled basis, by countries of destination for 1957-58, with comparisons.

THE CURRENT DOMESTIC RICE SITUATION

Carryover August 1, 1958 Down 10 Percent; Sharper Reduction Expected Next August 1

The rice carryover on August 1, 1958 of 18.1 million cwt., in terms of rough rice, was 10 percent less than the 20.1 million a year earlier and 48 percent less than the record 34.6 million cwt. in 1956. The reduction in carryover reflects a reduction in production from 56.0 million cwt. in 1955 to 43.2 million in 1957, resulting from smaller seeded acreage. This reduction in the crop more than offset the effect of smaller exports. Exports in 1957-58, totaling 18.3 million cwt., were less than half the record of 37.5 million cwt. in 1956-57, but about equal to 1955-56.

Total supply of rice is estimated at 65.3 million cwt. for 1958-59 (table 1). This includes carryover August 1, 1958 of 18.1 million cwt., the increased 1958 crop, estimated in December at 47.0 million cwt., and imports of about 0.2 million cwt., mostly of broken rice. Use of rice in the United States is estimated at about 26.5 million cwt., slightly above a year earlier. Exports are expected to total about 27.0 million cwt., almost half again as much as in 1957-58. The increase largely represents barter transactions and increases in other concessional sales from CCC stocks. This disappearance would leave a carryover of about 11.8 million cwt., in terms of rough rice, on August 1, 1959. This would be almost a third less than a year earlier, and nearly two-thirds less than the record in 1956, but still over 3 times the 1950-54 average.

Consumption Per Capita Down Slightly But 8 Percent Above Average

Consumption of rice in continental United States in 1957-58 amounted to 5.7 pounds per capita, down slightly from the 5.8 pounds (revised) a year earlier. However, through the promotional work of the rice industry, as well as the distribution of CCC stocks to school and welfare institutions, per capita consumption is about 8 percent above the 5.3-pound average in 1946-47 to 1955-56 (table 3).

Per capita consumption is expected in 1958-59 to be about unchanged from the 5.7 pounds in 1957-58. With the increase in population, total consumption for food is expected to amount to about 980 million pounds of milled rice, the largest since the 1919 postwar year.

Table 4.- Rice: Average price received by farmers, United States, and average wholesale price at New Orleans and San Francisco, 1947-58

Year	August	September	October	November	December	January	February	March	April	May	June	July	Average
beginning	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
August	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Price per 100 pounds received by farmers for rough rice, 15th of month 1/													
1947	6.24	5.22	5.58	6.22	6.42	6.67	6.98	6.73	6.78	6.82	6.96	6.91	5.97
1948	5.33	4.76	4.73	5.13	5.36	5.24	4.98	4.69	4.82	4.73	4.73	4.36	4.88
1949	4.18	3.82	3.98	4.22	4.37	4.41	4.46	4.34	4.41	4.30	4.46	4.46	4.10
1950	4.61	4.56	5.03	5.33	5.26	5.57	5.81	5.78	5.72	5.67	5.41	5.23	5.09
1951	4.67	4.03	4.66	4.79	4.90	5.20	5.22	5.25	5.36	5.47	5.62	5.62	4.82
1952	5.32	5.27	5.72	6.10	6.25	6.48	6.63	6.88	6.91	6.91	6.70	5.95	5.87
1953	5.31	4.82	5.37	5.26	5.34	5.42	5.34	5.21	5.01	4.85	4.19	4.14	5.19
1954	4.06	4.23	4.60	4.57	4.64	4.51	4.46	4.52	4.55	4.46	4.35	4.26	4.57
1955	4.19	4.64	4.77	4.71	4.77	4.48	4.49	4.52	4.50	4.50	4.50	4.44	4.81
1956	4.29	4.56	4.75	4.61	4.65	4.68	4.91	4.98	4.88	4.91	4.91	4.90	4.86
1957 2/	4.86	4.81	4.94	5.04	4.83	5.01	5.02	5.04	5.17	5.06	5.05	4.92	5.11
1958 2/	4.83	4.77	4.79	4.75									4.88
Wholesale price per 100 pounds (bagged) of milled Zenith, U. S. No. 2 (Fancy) at New Orleans 3/													
Blue rose	13.05	11.70	11.30	12.00	12.05	12.55	13.30	12.75	12.80	13.70	15.75	16.40	13.10
Zenith	12.65	10.90	10.90	12.00	12.05	12.55	13.30	12.65	12.50	13.00	15.40	16.15	12.85
1947	9.65	8.80	8.75	9.00	10.20	9.60	9.25	9.20	9.10	9.00	8.80	8.60	9.15
1948	8.15	6.95	6.95	7.60	8.00	8.05	8.00	7.90	7.95	8.00	8.00	8.40	7.85
1949	9.05	8.90	8.90	9.90	9.85	9.95	10.05	10.55	10.50	10.50	10.35	10.40	9.90
1950	9.10	8.30	8.95	9.45	9.60	10.05	10.45	10.50	10.50	10.50	10.50	10.50	9.85
1951	10.45	10.40	10.55	10.70	10.75	10.75	10.75	12.20	12.40	12.40	12.40	12.00	11.30
1952	9.35	8.60	9.20	9.35	9.40	9.40	9.40	9.25	9.05	8.90	8.60	8.80	9.10
1953	7.45	7.50	8.20	9.20	9.40	9.40	9.40	9.70	10.70	11.25	11.25	10.75	9.50
1954	9.30	8.90	8.90	9.25	9.25	9.10	8.90	8.80	8.75	8.75	8.40	8.40	8.90
1955	8.30	8.50	8.50	8.50	8.50	8.55	8.80	8.90	8.90	9.05	9.20	9.45	8.75
1956	9.35	9.30	9.45	9.55	9.65	9.65	9.75	9.90	10.15	10.10	10.05	10.15	9.75
1957	9.65	9.15	9.25	9.20									
Wholesale price per 100 pounds (bagged) of milled California Pearl, U. S. No. 2 (Fancy) at San Francisco docks 3/													
Year	October	November	December	January	February	March	April	May	June	July	August	September	Average
beginning	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
October	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1947	9.93	10.82	10.85	11.01	11.60	11.60	11.60	12.33	12.63	12.62	11.95	11.23	11.51
1948	7.84	8.13	9.13	9.13	9.25	9.06	8.72	8.53	8.22	7.97	7.95	7.78	8.48
1949	7.10	7.15	7.37	7.38	7.20	7.06	7.03	7.05	7.22	8.08	8.74	8.46	7.49
1950	8.34	8.90	9.00	9.18	9.28	9.28	9.28	9.21	9.18	9.28	9.13	8.85	9.07
1951	8.50	8.45	8.85	9.15	9.50	9.65	9.65	9.65	9.65	9.65	9.65	9.68	9.34
1952	9.82	9.94	9.94	10.32	10.69	12.00	12.15	12.15	12.08	11.68	10.55	9.07	10.87
1953	8.98	8.95	9.04	9.08	9.17	9.33	9.23	9.20	9.20	9.16	9.13	8.54	9.08
1954	8.43	8.43	8.43	8.43	8.43	8.43	8.58	8.58	8.45	8.45	8.45	8.45	8.46
1955	8.40	8.40	8.40	8.22	8.15	8.15	8.15	8.15	8.15	8.15	8.10	8.10	8.21
1956	7.74	7.70	7.70	7.70	7.93	7.95	8.08	8.08	8.08	8.08	8.08	8.04	7.93
1957	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90
1958	7.40	7.40	7.40										

1/ U. S. monthly prices are the result of weighting monthly State prices by production through July 1958. Beginning August 1958, monthly State prices are weighted by estimated sales for the month. U. S. marketing-year prices are the result of (1) weighting State monthly prices by monthly sales to obtain State marketing-year averages, and (2) weighting the State marketing-year averages by total sales for each State. Averages weighted by production are usually the same. 2/ Preliminary. Averages for 1957 and 1958 are weighted by production. 3/ Data from Grain Division, AMS.

The 970 million pounds of milled rice used for food in continental United States in 1957-58 is equal to 13.9 million cwt., in rough rice equivalent. Total U. S. food use of rice, as shown in table 1, also includes about 5.2 million cwt., rough rice equivalent, consisting of food use in the Territories of the U. S. and military food use at home and abroad.

Rice Production Up From
1957; Near Average

United States rice production in 1958 was estimated as of December 1 at 47,038,000 cwt., 10 percent above last year's small crop and about equal to the 10-year average (table 2). The larger production this year was due to both higher yields and larger harvested acreage, with the latter accounting for two-thirds of the increase. The yield of 33.08 cwt. per harvested acre was only slightly above that of last year.

A record high average yield of 32.50 cwt. per harvested acre was obtained in Arkansas, and yields in Texas and Missouri were second only to last year's record. The crop in the major southern producing States--Texas, Louisiana, Arkansas, Mississippi and Missouri--was estimated at 35.3 million cwt., compared with 33.2 million last year. Heavy applications of fertilizer and favorable growing weather were responsible for the high yields. Milling quality is reported to be unusually good.

In California, production is estimated at 11,730,000 cwt., with a record yield of 46.00 cwt. per harvested acre. Very favorable weather provided excellent conditions for combining and little loss was experienced. Quality was generally lower than usual.

Production in the minor rice producing States--Arizona, Florida, Illinois, North Carolina, South Carolina, Oklahoma and Tennessee--totaled about 23,000 cwt., 3,000 cwt. above 1957.

Rice Prices May Average 30 Cents
or More Above the Support Level

Rice prices received by farmers have averaged 31 cents above the support level of \$4.48, thus far this current marketing year. They advanced from \$4.77 in mid-September to \$4.79 in mid-October and were \$4.75 in mid-November (table 4).

In 1957-58, the price to farmers with unredeemed loans at the support level, averaged \$5.11, 39 cents above the average support of \$4.72 per cwt. On the basis of expected disappearance and quantities likely to be placed under the support program, prices for 1958-59 are expected to again average 30 cents or more above the announced support rate.

Except for 1951 and 1954, season average prices have exceeded support price levels in every year since the support programs were started in 1941 (table 6). For a number of years, this was the result of strong export demands. In other years, large quantities under support and heavy deliveries

Table 5.- Rice: CCC-owned compared with total United States stocks, August 1, 1953-58

Year	Total carryover	CCC-owned	Percentage CCC-owned of total
	Mil. cwt.	Mil. cwt.	Percent
1953			
Rough	.5	---	---
Milled, rough equivalent	1.0	---	---
Total, rough equivalent	1.5	---	---
1954			
Rough	5.3	.5	9.4
Milled, rough equivalent	2.3	.4	17.4
Total, rough equivalent	7.6	1/.9	11.8
1955			
Rough	6.5	3.1	47.7
Milled, rough equivalent	20.2	13.6	67.3
Total, rough equivalent	26.7	1/16.7	62.5
1956			
Rough	18.3	11.7	63.9
Milled, rough equivalent	16.3	13.0	79.8
Total, rough equivalent	34.6	24.7	71.4
1957			
Rough	14.3	9.8	68.5
Milled, rough equivalent	5.8	3.5	60.3
Total, rough equivalent	20.1	13.3	66.2
1958			
Rough	10.5	5.4	51.4
Milled, rough equivalent	7.6	5.6	73.7
Total, rough equivalent	18.1	11.0	60.8

1/ Does not include 2.1 million cwt. in 1954 and 5.8 million cwt. in 1955 of rough rice and milled rice (rough equivalent) in hands of millers, which later was delivered to CCC as milled rice under milling contracts.

Grain Division, Commodity Stabilization Service.

Table 6.- Rice, rough equivalent: Price support operations and price analysis items, 1940-58

Year beginning August	Under price support			Deliveries to CCC	Owned by CCC on August 1	Under loan August 1	Support rate per cwt.	Season average price per cwt. received by farmers 1/
	Loans	Purchase agreements	Total					
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	Dol.	Dol.
1940	---	---	---	---	---	---	---	1.80
1941	---	---	---	---	---	---	2.04	3.01
1942	---	---	---	---	---	---	2.33	3.61
1943	---	---	---	---	---	---	2/	3.96
1944	---	---	---	---	---	---	2/	3.93
1945	---	---	---	---	---	---	2.82	3.98
1946	---	---	---	---	---	---	2/	5.00
1947	---	---	---	---	---	---	3.76	5.97
1948	153	3,565	3,718	611	---	---	4.08	4.88
1949	1,865	6,282	8,147	3,043	11	1	3.96	4.10
1950	217	575	792	26	459	218	4.56	5.09
1951	4,008	1,843	5,851	518	369	17	5.00	4.82
1952	209	---	209	---	226	1	5.04	5.87
1953	1,808	2,666	4,474	3,170	1	6	4.84	5.19
1954	17,552	12,923	30,475	25,141	3,000	283	4.92	4.57
1955	15,557	10,703	26,260	23,475	22,500	2,589	4.66	4.81
1956	13,304	10,423	23,727	16,771	24,700	312	4.57	4.86
1957 3/	6,977	6,590	13,567	11,008	13,253	48	4.72	4/5.11
1958 3/	5/4,331	5/ 22	5/4,353		11,031	9	4.48	4/4.88

1/ Season average prices received by farmers weighted by sales. 2/ Price support was mandatory at 90 percent of parity but since prices were so far above support levels, support rates were not announced. 3/ Preliminary. 4/ Weighted by production. In most years, the price weighted by sales and weighted by production are the same. 5/ Through November 30, 1958.

to CCC have given strength to prices. Prices of higher grades of rice have been well above support levels, reflecting strong demand from various specialty processors.

Through November 30, farmers had placed a total of 4.35 million cwt. of 1958-crop rice under support, compared with 1.97 million by November 15, 1957 and 4.65 million by December 15, 1957. The larger quantity this year than last reflects the 10 percent increase in production. Of the total 4.35 million cwt., 3.41 million were warehouse stored and 0.92 million farm stored. Purchase agreements accounted for only 22,000 cwt. Through November 30, farmers has repaid loans on only 110,000 cwt. If the total carryover August 1, 1958 of 18.1 million cwt., CCC owned 11.0 million cwt. (table 5).

51 Percent of 1957-58 U. S.

Exports Financed by Government

U. S. rice exports rose to a record 27.0 million cwt. (milled rice equivalent) in the year beginning July 1956. Exports were unusually large because part of P.L. 480 exports against two fiscal year programs actually took place in that fiscal year. About 21 million cwt. were marketed under Government aid, or

Table 7.--Rice, milled equivalent: Exports, cash and under Government aid, and total, 1954-57

Item	Year beginning January			
	1954	1955	1956	1957
	Thou.cwt.	Thou.cwt.	Thou.cwt.	Thou.cwt.
Cash sales				
From commercial stocks	8,421.3	5,471.6	5,248.2	5,246.0
From CCC stocks	---	2/514.2	2/288.1	650.0
Government Programs				
P. L. 480 1/				
Title I - Sales for foreign currencies	---	2,533.6	18,030.4	5,083.6
Title II - Emergency relief 3/	305.0	1,962.3	531.1	475.6
Title III - Barter	5.0	204.7	644.3	13.0
Sec. 416 - Private donations 4/	---	749.1	2,234.7	591.9
International Coop.				
Administration 5/	166.3	921.7	---	67.0
Total	8,897.6	12,357.2	26,976.8	12,127.1
Percentage Government Program exports are of total (%)	6	52	79	51

1/ Public Law 480, as amended.

2/ Ground rice for feed use.

3/ Government to government transactions.

4/ Overseas distribution by U. S. private relief and charity agencies.

5/ P. L. 665, Sec. 402, Original Act establishing this authority was P. L. 472, Foreign Assistant Act of 1948.

Grain Division, F.A.S.

Table 8 .- Rice: Acreage allotments,
by States, 1957-59

State	Apportionment		
	1957	1958	1959
	<u>Acres</u>	<u>Acres</u>	<u>Acres</u>
Arizona	229	229	229
Arkansas	398,890	399,014	398,855
California	299,674	299,767	299,648
Florida	956	957	956
Illinois	20	20	20
Louisiana	474,863	475,010	474,821
Mississippi	46,660	46,675	46,656
Missouri	4,578	4,767	4,765
North Carolina	29	29	38
Oklahoma	149	149	149
South Carolina	2,846	2,846	2,845
Tennessee	517	517	517
Texas	422,185	422,316	422,147
Total apportioned to States	1,651,596	1,652,296	1,651,646
Unapportioned national reserve	1,000	300	950
United States total	1,652,596	1,652,596	1,652,596

Commodity Stabilization Service, U.S.D.A.

Table 9 .- Rice: Planted acreage and production,
by States, 1957-58

State	Acreage planted		Production	
	1957	1958 ^{1/}	1957	1958 ^{1/}
	<u>acres</u>	<u>acres</u>	<u>cwt.</u>	<u>cwt.</u>
Missouri	4.2	4.0	129	115
Mississippi	32	42	992	1,092
Arkansas	337	342	10,292	10,920
Louisiana	418	414	10,700	11,220
Texas	351	385	11,104	11,938
California	228	257	9,718	11,730
Minor States ^{2/}	1.4	1.0	19.7	22.5
United States	1,371.6	1,445.0	42,954.7	47,037.5

^{1/} Preliminary.^{2/} Minor States include Arizona, Florida, Illinois, North Carolina, South Carolina, Oklahoma and Tennessee.

about 79 percent. In 1957-58, total exports declined from 27.0 million cwt. to 12.1 million, and the percentage under Government programs declined from 79 percent in 1956-57 to 51 percent in 1957-58. In 1958-59, exports are expected to total nearly 19 million cwt., with around 70 percent under Government programs.

Cash exports of rice from commercial stocks do not vary greatly. Those in 1956-57 were 4 percent above a year earlier, and those in 1957-58 were about the same as in 1956-57.

DOMESTIC RICE ANNOUNCEMENTS AND OUTLOOK FOR 1959

1959 Rice Marketing Quota and Referendum

Marketing quotas for rice were proclaimed on November 28, 1958. The law requires quotas for the coming crop whenever the total supply for the preceding marketing year exceeds the normal supply by more than 10 percent. The total supply of rice for the 1958-59 marketing year, for quota determination, was estimated to be 12.6 percent above the normal supply figure and 2.6 percent above the marketing quota level.^{1/}

In the referendum held on December 15, producers approved rice quotas for 1959 by an 87 percent vote, according to the preliminary report.^{2/} This is more than the required two-thirds vote of the producers voting.

1959 Production Expected to be Up

The national rice allotment for 1959 is 1,652,596 acres, the minimum fixed by law and the same as in 1956, 1957 and 1958. The 1959 national acreage allotment, less a national reserve of 950 acres, has been apportioned among the 13 rice-producing States in the same proportion as they shared in the total acreage allotment in 1956, as provided by existing legislation (table 8).

^{1/} For the 1959 marketing quota determination, the total 1958-59 supply of rice was estimated at 65,989,000 cwt., consisting of the 1958 crop of 47,679,000 cwt., a carryover on August 1, 1958 of 18,110,000 cwt. and estimated imports of 200,000 cwt. The normal supply of 58,627,000 cwt. was computed on the basis of estimated domestic consumption of 26,297,000 cwt. for the 1957-58 marketing year plus a carryover allowance of 10 percent of consumption and exports.

^{2/} Rice marketing quotas were in effect for the 1955, 1956, 1957 and 1958 crops. For 1958, producers approved rice quotas by a 90.0 percent favorable vote (6,207 - yes and 620 - no); for 1957 by a 91.4 favorable vote (6,384 - yes and 600 - no); for 1956 by an 84.6 favorable vote (9,008 - yes and 1,637 - no), and for 1955 by a 90.2 percent favorable vote (15,911 - yes and 1,736 - no).

It is estimated that about 1.60 million acres of rice will be harvested in 1959, after allowing for acreage placed in the Conservation Reserve of the Soil Bank and for normal underplanting and abandonment. Yield per harvested acre in 1955-58 averaged 31.80 cwt. Assuming a yield of 32 cwt. on 1.6 million acres, a crop of 51.2 million cwt. would be produced. This would be more than 9 percent larger than the 1958 crop of 47.04 million cwt. and the 1948-57 average of 47.80 million cwt. In 1958, rice farmers placed 174,000 acres of their allotment in the Acreage Reserve of the Soil Bank. (The Acreage Reserve Program of the Soil Bank was terminated with the 1958 crop). A crop of 51.2 million cwt. added to the estimated August 1, 1959 carryover of 11.8 million cwt. and imports of 0.2 million cwt. would make a total supply of 63.2 million cwt. 58/5

Domestic disappearance for the 1959-60 marketing year is estimated at 26.7 million cwt., slightly above the 26.5 million for the current marketing year. This would require exports of about 25 million cwt. to reduce the carryover on July 31, 1960. Exports at this level would be below the 27 million cwt. estimated for 1958-59 but above the 1952-56 average of 23.7 million cwt.

The 1959 Rice Price Support Level

The price support level for 1959-crop rice was announced on November 28 at 75 percent of parity, the same level in effect for 1958-crop rice. The rate was set at the minimum of the 75 to 90 percent range because supplies remain large, requiring continued extensive USDA export operations. The minimum rice acreage allotment, as required by law, results in a yearly crop of sufficient size to require continued heavy export operations.

The price-support program for the 1959 crop will be carried out through loans and purchase agreements as in past years. Loans and purchase agreements will be available through January 31, 1960. The loans mature on March 14, 1960.

Producers who remain within their acreage allotments will be eligible for price support on their entire production. Growers who exceed their farm acreage allotment will be subject to marketing quota penalties amounting to 50 percent of parity (as of June 15, 1959) of their excess production, and none of their production will be eligible for price support.

Payment-in-kind Export Program for Rice

A payment-in-kind export program similar in principle to those now in effect for wheat, feed grains and cotton was extended to rice, effective December 15, 1958.

Under the new program, exporters, upon proof of exportation, will be issued a payment-in-kind certificate. The certificate will be redeemable in rough rice or in stocks of 5 feed grains--barley, corn, grain sorghum, oats

and rye--available in the Commodity Credit Corporation inventory. As in the other payment-in-kind programs, the certificates will be expressed in dollar totals equal to the export payment rate, times the quantity of rice exported.

The payment-in-kind program is designed to encourage the movement of rice into export directly from commercial stocks rather than from CCC stocks. This should reduce the quantity of rice taken over by the CCC under the price-support program. At the same time, CCC stocks of rice will be reduced to the extent that certificates are used to acquire additional rice supplies from Government stocks.

When the payment-in-kind program became effective for rice, the Department discontinued sales of rice from CCC stocks for export, except under barter, CCC credit programs and emergency conditions.

New Legislation

The Agricultural Act of 1958 provides that: (1) The minimum allotment for rice is to continue indefinitely at the 1958 level of 1,652,596 acres (the same as for 1956 and 1957); (2) the range of price support for the 1959 and 1960 crops will remain at not less than 75 percent or more than 90 percent of parity, the level to be determined by the Secretary and (3) the minimum support level for 1961 will not be less than 70 percent of the parity price and for 1962 and subsequent years not less than 65 percent. The maximum remains at 90 percent.

The new legislation removed supply as the basis for determining rice support levels. In the determination of support in excess of the minimum level, the following factors are now taken into consideration: (1) The supply in relation to demand, (2) the price levels at which other commodities are being supported, (3) the availability of funds, (4) the perishability of the commodity, (5) the importance of the commodity to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the need for offsetting temporary losses of export markets and (8) the ability and willingness of producers to keep supplies in line with demand.

THE WORLD RICE SITUATION AND OUTLOOK 3/

Record World Rice Crop In 1958-59 4/

The world rice crop in 1958-59 will far exceed any previous harvest. It is estimated in the first forecast at 471 billion pounds of rough rice, compared with 425 billion in 1957-58 (table 10). Average production from 1950-51 through 1954-55 was 394 billion pounds.

3/ Except for statement on 1958-59 production, World Trade Situation and Outlook was prepared by Dexter V. Rivenburgh, FAS. 4/ From Foreign Crops and Markets, World Summaries, Crops and Livestock, November 20, 1958.

Table 10.- RICE (rough): Acreage, yield per acre, and production in specified countries, average 1950-51/54-55, annual 1955-56 to 1958-59 1/

Continent and country	Acreage			Yield per acre						Production																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
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	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	1,000 acres	1,000 acres	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:	1950-51 to 1954-55	1955-56	1956-57	1957-58 2/	1958-59	Found:	Found:

Morocco	10 :	19 :	18 :	15 :	17 :	3,590 :	3,474 :	2,444 :	3,527 :	3,529 :	35.9 :	66.0 :	44.0 :	52.9 :	60.0 :
Total North Africa	629 :	728 :	821 :	862 :	643 :	3,081 :	3,502 :	3,502 :	3,517 :	2,955 :	1,937.7 :	2,549.2 :	2,874.8 :	3,031.4 :	1,900.0 :
Belgian Congo	416 :	414 :	408 :	405 :	— :	921 :	988 :	970 :	963 :	— :	383.2 :	408.9 :	395.6 :	390.0 :	— :
French Cameroun	13 :	16 :	17 :	17 :	18 :	800 :	838 :	841 :	859 :	833 :	10.4 :	13.4 :	14.3 :	14.6 :	15.0 :
French Equatorial Africa	53 :	65 :	68 :	69 :	70 :	928 :	1,255 :	1,262 :	1,262 :	1,257 :	49.2 :	81.6 :	85.8 :	87.1 :	88.0 :
French Togoland	29 :	31 :	35 :	33 :	— :	855 :	997 :	694 :	970 :	725 :	24.8 :	90.9 :	24.3 :	32.0 :	— :
French West Africa	1,985 :	1,930 :	2,025 :	2,129 :	— :	616 :	718 :	762 :	725 :	— :	1,222.6 :	1,385.0 :	1,543.0 :	1,543.0 :	— :
Madagascar	1,712 :	1,804 :	1,850 :	1,830 :	— :	1,256 :	1,167 :	1,311 :	1,230 :	— :	2,151.1 :	2,105.4 :	2,425.0 :	2,250.0 :	— :
Total Africa	7,021 :	7,385 :	7,546 :	7,930 :	7,683 :	1,116 :	1,204 :	1,275 :	1,247 :	1,130 :	7,833.0 :	8,893.3 :	9,619.4 :	9,885.5 :	8,685.1 :
Asia:															
Iran	557 :	600 :	620 :	610 :	550 :	1,750 :	1,183 :	1,774 :	1,754 :	1,818 :	974.7 :	710.0 :	1,100.0 :	1,070.0 :	1,000.0 :
Iraq	545 :	400 :	425 :	500 :	550 :	1,151 :	775 :	941 :	1,300 :	1,273 :	627.2 :	310.0 :	400.0 :	650.0 :	700.0 :
Syria	12 :	10 :	7 :	7 :	6 :	2,200 :	2,340 :	2,857 :	2,857 :	2,783 :	26.4 :	23.4 :	20.0 :	20.0 :	16.7 :
Turkey	99 :	71 :	104 :	173 :	— :	2,876 :	2,844 :	2,928 :	2,201 :	— :	284.7 :	201.9 :	304.5 :	380.7 :	265.0 :
Burma	10,780 :	10,950 :	11,150 :	10,750 :	11,500 :	1,289 :	1,315 :	1,408 :	1,209 :	1,391 :	13,900.0 :	14,400.0 :	15,700.0 :	13,000.0 :	16,000.0 :
Cambodia 3/	2,853 :	2,595 :	3,173 :	2,842 :	3,100 :	987 :	1,019 :	1,062 :	969 :	1,032 :	2,817.0 :	2,645.5 :	3,368.6 :	2,755.0 :	3,200.0 :
Ceylon	920 :	1,034 :	896 :	920 :	— :	1,330 :	1,456 :	1,440 :	1,375 :	— :	1,223.4 :	1,506.0 :	1,290.1 :	1,265.0 :	— :
China, Taiwan	1,912 :	1,937 :	1,954 :	1,928 :	— :	2,388 :	2,719 :	2,702 :	2,749 :	— :	4,565.0 :	5,266.4 :	5,279.3 :	5,300.0 :	— :
India 3/	75,448 :	77,891 :	79,320 :	79,500 :	79,500 :	1,089 :	1,171 :	1,199 :	1,057 :	1,145 :	82,150.0 :	91,211.3 :	95,112.4 :	84,000.0 :	91,000.0 :
Indonesia	15,939 :	16,561 :	16,877 :	16,900 :	— :	1,450 :	1,497 :	1,496 :	1,509 :	— :	23,118.3 :	24,791.3 :	25,243.7 :	25,500.0 :	— :
Japan 4/	7,754 :	7,950 :	7,970 :	7,987 :	8,000 :	3,394 :	4,272 :	3,747 :	3,935 :	4,148 :	26,316.6 :	33,958.9 :	29,862.4 :	31,430.4 :	33,180.0 :
Korea, South	2,550 :	2,692 :	2,710 :	2,730 :	2,700 :	2,567 :	2,600 :	2,214 :	2,711 :	2,852 :	6,546.0 :	7,000.0 :	6,000.0 :	7,400.0 :	7,500.0 :
Laos 3/	1,391 :	1,500 :	1,530 :	1,500 :	1,550 :	697 :	720 :	756 :	733 :	752 :	970.0 :	1,080.0 :	1,157.4 :	1,100.0 :	1,500.0 :
Malaya	836 :	860 :	889 :	900 :	875 :	1,739 :	1,737 :	1,950 :	2,000 :	1,771 :	1,453.4 :	1,493.8 :	1,733.8 :	1,800.0 :	1,550.0 :
Nepal	3,250 :	3,250 :	3,200 :	3,200 :	3,250 :	757 :	831 :	719 :	750 :	785 :	2,460.0 :	2,700.0 :	2,300.0 :	2,400.0 :	2,550.0 :
Pakistan 3/	23,226 :	21,883 :	22,445 :	22,962 :	23,000 :	1,207 :	1,107 :	1,356 :	1,243 :	1,217 :	28,023.9 :	24,233.8 :	30,441.9 :	28,541.8 :	28,000.0 :
Philippine Republic	6,264 :	6,777 :	6,810 :	6,630 :	7,000 :	1,054 :	1,065 :	1,078 :	1,062 :	1,086 :	6,603.3 :	7,216.2 :	7,376.3 :	7,038.3 :	7,600.0 :
Thailand	13,153 :	13,283 :	14,238 :	11,308 :	14,100 :	1,162 :	1,217 :	1,285 :	1,111 :	1,170 :	15,281.2 :	16,167.7 :	18,291.6 :	12,562.2 :	16,500.0 :
Vietnam, South	4,530 :	5,185 :	5,587 :	5,992 :	6,000 :	1,201 :	1,198 :	1,188 :	1,049 :	1,117 :	5,200.0 :	6,210.0 :	6,635.0 :	6,285.0 :	6,700.0 :
Total Asia, excluding Communist areas 5/	173,109 :	176,733 :	181,227 :	178,634 :	182,840 :	1,295 :	1,374 :	1,398 :	1,311 :	1,367 :	224,156.3 :	242,887.4 :	253,308.8 :	234,128.5 :	249,962.3 :
China, Mainland	59,200 :	62,100 :	64,000 :	64,500 :	68,000 :	2,259 :	2,343 :	2,266 :	2,326 :	2,647 :	133,730.0 :	145,500.0 :	145,000.0 :	150,000.0 :	180,000.0 :
Communist areas 5/	65,000 :	68,000 :	70,250 :	70,900 :	75,000 :	2,174 :	2,259 :	2,186 :	2,236 :	2,527 :	141,280.0 :	153,600.0 :	153,600.0 :	158,500.0 :	189,500.0 :
Total Asia	238,109 :	244,733 :	251,477 :	249,534 :	257,840 :	1,535 :	1,620 :	1,618 :	1,573 :	1,704 :	365,436.3 :	396,487.4 :	406,908.8 :	392,628.5 :	449,462.3 :
Oceania:															
Australia	37 :	41 :	53 :	44 :	— :	4,603 :	4,839 :	3,375 :	5,395 :	— :	170.3 :	198.4 :	178.9 :	237.4 :	— :
Total Oceania	108 :	112 :	126 :	120 :	125 :	2,481 :	2,606 :	2,213 :	2,812 :	2,640 :	268.0 :	291.9 :	278.9 :	341.0 :	330.0 :
Total world, excluding Communist areas of Asia 5/	191,139 :	196,286 :	200,645 :	198,163 :	202,384 :	1,322 :	1,397 :	1,426 :	1,344 :	1,392 :	252,729.7 :	271,249.7 :	286,093.7 :	266,278.8 :	281,658.2 :
World total	256,139 :	264,286 :	270,895 :	269,063 :	277,384 :	1,538 :	1,619 :	1,623 :	1,579 :	1,699 :	394,009.2 :	427,849.7 :	439,693.7 :	424,778.8 :	471,158.2 :

1/ Crops harvested in Northern Hemisphere during the latter part of the year, together with those harvested in Asia principally from November to May, are combined with crops harvested in Southern Hemisphere countries during the first part of the following year. Harvested acreage is shown unless data for planted acreage only are available. 2/ Preliminary. 3/ Planted acreage. 4/ Tentative revisions through 1954. 5/ Mainland China, North Korea, and North Vietnam.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States officers, results of office research and other information.

World production, excluding the Communist areas of Asia is now estimated at 282 billion pounds of rough rice, compared with 266 billion in 1957-58. Output, as forecast, is 11 percent above the average of 1950-51 through 1954-55.

World acreage in rice is at a record level. The estimated acreage of Mainland China, leading producer, is sharply above that of the preceding 3 years. In other countries, acreage is nearly 2 million acres more than the previous record of 2 years ago. Increases occurred on all continents except Africa.

Asia produces 93 percent of the world crop; 40 percent is in Communist areas and 53 percent in other Asian countries. The 1958-59 rice harvest in the non-communist areas of Asia is estimated at 250 billion pounds of rough rice, compared with 234 billion in 1957-58.

India, Japan, Thailand, Burma, the Indochina peninsula, South Korea, the Philippines, South Vietnam and Cambodia--as well as Mainland China--all have larger crops than last year. Production in Pakistan is expected to be slightly below that of 1957-58.

Mainland China grows more than a third of the world's rice crop. Weather there has been unusually favorable so far in 1958. Acreage estimates are based on probable increases since 1955 (the last year that climatic conditions were favorable prior to 1958). In estimating production, an average yield about equal to prewar record yields has been used. These estimates indicate record production, but are far below Communist China's official estimates.

Prospects for India's main December harvest are very good. Acreage is expected to approximate that of last year, and so far, growing conditions generally have been above average.

Japan's rice crop is second only to the 1955 harvest. A record crop had been expected before a severe typhoon in late September reduced the harvest in some areas. Although there was lack of rain at the beginning of the planting season, rains came in time to permit planting of most of the acreage. With especially good weather during the growing season, yields per acre were high.

Rice acreage in the Philippines increased slightly. With weather favorable so far, the harvest is expected to set a new record. Acreages in Malaya and Ceylon are at a high level, and thus far weather has been good. Harvesting will not be completed before April 1959.

In the exporting countries of Asia, rice crops will also be larger. In Burma, plantings increased substantially over 1957-58, when acreage was reduced by drought, and weather so far has been favorable. Thailand's

acreage also increased over the drought year of 1957-58, and yields are expected to be higher. South Korea harvested the best crop in years, and has an exportable surplus of rice.

Europe's marked increase in rice production was due to larger acreage and generally good weather. However, the crop was below the 1955 record. Larger acreage and production in Italy, the principal producer, is largely responsible for the over-all European increase.

Spain's crop is below that of last year, but well above the 1950-54 average. Acreage was increased, but weather was adverse as the season progressed, thus reducing early-season estimates. Portugal's crop is below those of the last 2 seasons, but high compared with the 1950-54 average.

France continued to increase acreage--10 percent over 1957 and 72 percent more than the 1950-54 average. Record yields per acre resulted in a harvest 18 percent above the previous year's record. Greece also had larger acreage, greatly increased yields and a record harvest.

Western Hemisphere production is expected to continue at the high level of recent years. Total North American acreage is still below the 1955-56 record, largely due to reductions in the United States and Cuba. On the other hand, South American acreage continues its steady upward trend.

Although the U. S. crop is materially above that of a year ago, it is 6 percent below the 1950-54 average and 16 percent less than in 1955. This is according to the December estimate. (Figure for 1957 and 1958 in table 10 are unrevised.) In Central America, record acreage and the most favorable weather in 3 years have insured by far the largest crop ever produced, particularly in the Republic of Panama and Costa Rica.

Crops in the northern part of South America that were planted for harvest early in the crop year show great improvement over last year's drought-stricken crops. As a result of favorable weather, British Guiana expects a bumper crop which may set a new record. Surinam increased irrigated acreage, on which yields were high. In the major producing areas, however, planting is just beginning and no production estimates are yet available.

Africa's 1958-59 production is down sharply from 1957-58. Most of the decrease is in Egypt, where low water supplies from the Nile River prevented maximum planting.

Australia's acreage will probably increase about 4,000 acres, mainly new acreage in the Northern Territory.

World Trade in 1958 will Equal Or Exceed the Previous Year's Level

Preliminary figures indicate that 1958 world trade in rice was at or above 1957 levels. The beginning of 1958 saw considerable apprehension throughout the world as to the amounts of rice available for export. As the

Table 11.- Rice, milled equivalent: Exports from principal world areas, calendar years, averages 1946-55, annual 1954-57 1/

Area	Average		1954	1955	1956 <u>2/</u>	1957 <u>2/</u>
	1946-50	1951-55				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Asia:						
Burma	2,147	2,944	3,220	3,616	4,107	3,867
Thailand	1,919	3,042	2,661	2,881	2,805	3,454
China	3	495	648	645	3/1,180	595
Indochina	245	612	850	245	119	824
Taiwan	52	201	80	374	241	269
Iran <u>4/</u>	46	100	135	63	7	1
Other countries	288	650	622	1,035	534	598
Total	4,700	8,044	8,216	8,859	8,993	9,608
Western Hemisphere:						
United States	962	1,389	1,225	1,138	5/1,825	5/1,619
Argentina	3	27	60	42	93	41
Brazil	321	151	---	5	224	1
British Guiana	51	85	83	119	93	85
Ecuador	126	60	24	46	26	84
Uruguay	12	27	33	19	78	18
Other countries	111	85	106	39	47	56
Total	1,586	1,824	1,531	1,408	2,386	1,904
Europe:						
Belgium-Luxembourg	1	17	13	15	59	59
Italy	178	489	434	374	771	316
Spain	6/	98	133	110	201	143
Netherlands	12	60	54	58	66	54
Portugal	4	15	2	6/	28	6/
Other countries	4	68	57	66	123	138
Total	199	747	693	623	1,248	710
Africa:						
Egypt	548	249	107	411	487	7/605
Madagascar	4	65	33	98	80	46
Other countries	35	48	52	78	81	61
Total	587	362	192	587	648	712
Australia: <u>8/</u>	61	71	68	96	74	67
World total	7,133	11,048	10,700	11,573	13,349	13,001

1/ Includes reexports where available. 2/ Preliminary. 3/ From returns of importing countries. 4/ March 21-March 20 year. 5/ Excludes Section 416 donations. 6/ Less than 500,000 pounds. 7/ November-October year. 8/ July-June year, except 1956 and 1957 which are calendar years.

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year moved along, however, these estimates proved to be too low as supplies were adequate to meet effective demand.

Exports from the Indo-China countries, Taiwan and Mainland China, particularly the latter, were up materially resulting in higher exports from Asian exporting countries than in 1957. Export supplies, however, were materially down in Burma and Thailand due to below average crops, with the reduction largely centered in the lower range of grades.

Exports from Mediterranean countries (Italy, Spain and Egypt) were well over last year's volume, while Western Hemisphere exports were down, principally in the United States.

Table 12.- Rice, milled equivalent: Imports into principal importing countries, calendar years, average 1951-55, annual 1955-57

Country	Average 1951-55	1955	1956 1/	1957 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Indonesia	905	279	1,682	1,242
India	1,168	676	856	1,682
Pakistan	---	---	972	953
Japan	2,438	2,748	1,675	765
Korea	246	2	43	310
Malaya	1,113	1,207	1,304	1,163
Ceylon	884	849	1,083	1,153
Hong Kong	478	542	613	690
Philippine Republic	132	140	93	266
Saudi Arabia	103	113	77	220
Cuba	470	238	300	429
Netherlands	151	270	163	132
Western Germany	189	240	258	197
Belgium-Luxembourg	83	115	182	140
France	125	175	172	196
United Kingdom	164	240	188	186
French West Africa	162	246	212	334
Other countries	1,977	2,910	2,839	2,841
World total	10,788	10,990	12,712	12,899

1/ Preliminary.

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Table 13.- Rice, milled equivalent: United States exports to specified countries, 1952-57 ^{1/}

Country and continent	Year beginning August					
	1952	1953	1954	1955	1956 ^{2/}	1957 ^{2/}
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.
Western Hemisphere:						
Canada	601	633	560	397	376	293
British Honduras	3	17	33	35	33	24
British West Indies	81	6	5	8	137	103
Cuba	4,876	4,755	3,391	2,927	4,054	4,246
Guatemala	---	3/	3/	30	29	68
Haiti	2	2	124	5	58	14
Netherlands Antilles	41	53	38	28	42	54
Bolivia	6	5	---	191	176	44
Colombia	3/	314	205	13	3	3/
Peru	1	3/	3/	---	3/	980
Venezuela	86	215	84	32	40	2
Other countries	6	27	35	162	71	67
Total	5,703	6,027	4,475	3,828	5,019	5,895
Europe:						
Belgium-Luxembourg	52	206	460	285	686	76
West Germany	3/	29	38	53	20	30
Netherlands	---	12	71	31	50	14
Switzerland	38	57	53	22	58	32
Other countries	10	36	192	97	56	75
Total	100	340	814	488	870	227
Asia:						
Ceylon	647	---	---	---	---	331
India	1	---	---	215	4,376	---
Indochina	---	---	---	220	10	1
Indonesia	1,100	---	---	516	5,424	753
Japan	3,999	8,538	4,125	2,383	109	5
Korea, Republic of	4,631	4/590	3/	1	2,746	242
Pakistan	---	---	---	2,653	4,372	3,452
Philippines	3/	3/	25	28	20	554
Ryukyu Islands	616	---	---	---	5/207	---
Saudi Arabia	138	130	136	75	98	151
Turkey	---	---	---	3	218	---
Other countries	183	25	11	35	30	134
Total	11,315	9,283	4,297	6,129	17,610	5,623
Total Oceania	19	17	19	39	47	52
Liberia	22	67	219	276	248	270
French West Africa	---	---	---	625	---	---
Other Africa	3/	6	10	21	19	24
Destination not specified	---	8	14	26	13	17
Total	17,159	15,748	9,848	11,432	23,826	12,108
Section 416 shipments	---	---	---	967	2,036	683
Ground rough rice for animal feed ^{6/}	---	---	---	514	288	---
World total	17,159	15,748	9,848	12,913	26,150	12,791

^{1/} Includes brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent. ^{2/} Preliminary. ^{3/} Less than 500 cwt. ^{4/} Adjusted to include all programs of the Department of Defense and the International Cooperation Administration. ^{5/} Programed by ICA and shipped by the Army. ^{6/} Sold by the Commodity Credit Corporation.

Bureau of the Census and Department of Agriculture.

Two significant points are to be noted in the 1958 trade: (1) Increases in export supplies have been largely in those areas marketing short grain (Japonica) type varieties, i.e., Taiwan, Italy, Spain, Egypt and Mainland China and (2) exports of both long and short grain rice from Mainland China increased rapidly and went to an increased number of countries. In the past few years, exports of Chinese rice went principally to Ceylon and Japan. In the latter half of 1958, however, they also went to Pakistan, Malaya, Indonesia and European and African countries. This resulted in part from an increase in Chinese production but probably was influenced more by trade deals, including direct barter and indirect multilateral barter transfers, than from an over-all increase in supply.

World Rice Situation
Continued to Reflect
Stability in 1958

The 1958 season did not prove to be a seller's market as originally expected. The balance between importing and exporting interests did not vary too much from 1957. Consumer demand continued its slow rise for the third year, reflecting slightly better economic conditions in some rice deficit areas together with steadily increasing requirements because of rising population.

Exporters on the whole did not tend to advance f.o.b. prices except for a rather narrow range of qualities. In fact, some pricing shifts were mainly for the purpose of diverting sales away from grades and qualities in tight supply. Port difficulties reduced exports from Burma in 1958, and some orders were carried over for shipment in 1959. Final shipment data may indicate that the reduction in Burma's exports may not be as great as anticipated.

Thailand, prior to the middle of 1958, placed an embargo on export grades having more than 25 percent broken. Later, at the beginning of the fourth quarter, the issuance of export permits was stopped for a time to slow down the movement of supplies out of domestic channels. Both measures were designed to insure adequate supplies for Thailand's consumers. For various periods of the year, export permits were cut off in the case of both Cambodia and Vietnam for similar reasons. During December, Mainland China's offers of rice were made only on the basis of April 1959 delivery, probably reflecting a tighter supply position or difficulty in transport to port.

Export prices in Egypt were the exception, rising very substantially early in the year reflecting an oversold market position, resulting in a cut off of exports early in August. Italy also ceased exports on September 1. Supplies in the hands of Latin American exporters were moved to market during the year, including what was considered a burdensome surplus in Brazil sold to Indonesia.

Surplus Stocks Not A Problem At the Beginning of 1959

Practically all of the burdensome surplus stocks of a few years ago have been liquidated and exporters are now down to reasonable working stocks.

Conditions were generally more favorable for rice production throughout the world during 1958 than for the preceding year 5/. It is largely from this production that the export supplies moving into trade in the 1959 calendar year will come.

A large portion of the increase in world rice production in 1958-59 is accounted for by the reported production of Communist China. If the production from this area is excluded from world totals, the total will still be above last year but under the record crop of 1956-57. It is not possible to evaluate rumors of increases in Mainland China production, some of which border on the fantastic. However, exports from that area have up to now been determined almost entirely by political decisions rather than the relationship between production and domestic utilization, but economic pressures may be becoming an important factor.

With the exception of Mainland China, the gains in production in 1958 represent in part a return to a more normal crop than that of last year which was reduced by droughts and floods over several large areas. World acreages continue to rise though at a rate considerably lower than in 1947-52.

1959 Import Requirements

The effective demand for rice should remain relatively high in 1959 and there should be no shortage of lower grades moving at base prices. Stocks of rice in importing countries such as Japan, Malaya and Ceylon are fairly large but are still limited in Pakistan, India, Indonesia and others. Foreign exchange available to many deficit rice areas is not sufficient to permit them to buy enough rice through channels of trade to maintain consumption per person at the 1935-39 levels. A substantial part of such requirements will have to continue to be supplied under various types of concessional sales and aid programs or through the use of cheaper but less preferred alternate cereals.

As world trade in rice still only represents about 5 percent of total production, neither import requirements nor volume of trade are closely linked directly with production. The question of export prices is far more important than fluctuations in levels of production.

1958 Prices

Prices (f.o.b. exporting countries other than the U. S.) began to rise in mid-1957 in anticipation of poorer crops. The trend was checked

in August and September, but for the lower grades the opening prices as of January 1958 were somewhat higher than a year earlier. In general, prices throughout 1958 only partially reflected lower availabilities.

In the case of Burma, the principal world exporter, prices remained fairly stable throughout the year. This is probably due to the fact that a high portion of Burma's exports are made on the basis of relatively long term Government contracts. Any abrupt change in pricing policies would result in revisions being necessary over a substantial segment of the Burmese marketing structure. One of the principal grades, Ngatsein Small Mills Special with 42 percent broken, opened and remained fairly steady under Government contracts at around \$4.60 per cwt. compared to about \$4.50 the preceding year. The tendency of Burma's prices to remain firm was instrumental in part for the relative stability of the market during the year.

Thailand's prices tended to fluctuate to a greater degree than those of Burma. However, the control of exports of grades having a high percentage of broken and the issuance of monthly quotas to exporters helped prevent even greater fluctuations. Prices (f.o.b.) opened in January 1958 ranging from about \$7.35 per cwt. for 100 percent white rice down to \$5.20 for grades with 25 percent broken. As of October 1958 these latter grades were up to \$5.75 but sold off again particularly on advance offerings of the 1958 crop. General prices throughout the year were 20-25 cents a cwt. above the fall of 1957 and some 60 cents a cwt. above the opening prices of 1957.

One feature of 1958 rice export prices as compared to those of 1957 is the effect of declining freight rates. In many instances the C&F cost to importers did not always reflect the f.o.b. by exporters mark-up when compared to the C&F costs of 1957.

Outlook for 1959 Prices

Prices for quality grades which form a small part of the total world trade are not likely to change a great deal in 1959. These prices may weaken slightly, but it may be limited to short grain varieties. Prices of lower grades and qualities, which are a major portion of total exports, are likely to lose whatever advances that have taken place since the fall of 1957 and in general to hold somewhere near 1957 levels.

Actual market supplies of rice available for export at the opening of 1959 may be overstated as they were understated a year ago. It is likely that demand will continue at the present level throughout 1959 and that there will not be any material build-up of surplus stocks. The governing factor affecting prices will be the prospects of the 1959 rice crop in mid-1959. Should conditions be unfavorable for production in any of the principal importing or exporting countries, the supplies of rice might not be sufficient to meet all demands at prices importers are able and willing to pay.

PARTICIPATION OF U. S. RICE INDUSTRY IN MARKET DEVELOPMENT WORK

During the past year, the U. S. rice industry has, through the U. S. Rice Export Development Association, participated in cooperation with the Foreign Agricultural Service in surveys of some 20 exporting and importing countries in Asia and Latin America. These surveys have been financed through use of foreign currencies accruing for market development under Section 104 (a) of Public Law 480, together with cash contributions of the Association. These two surveys have been for the purpose of evaluating the likely trends in production, processing, consumption and trade in rice for the next 5-10 years. Further surveys are under way for other major rice areas.

The Rice Industry, the newly formed national association of the U. S. rice producer and processor interests, cooperated with the Foreign Agricultural Service in displays and exhibitions of U. S. rice and rice products at the London Food Fair, the Vienna Food Fair and the International Food Fair at Munich, Germany. These exhibits displayed the high quality of U. S. rice, its ease of preparation, economy and versatility. Excellent results were reported from each Fair.

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: Domestic Distribution Patterns for Rice :
: for the 1956-57 Marketing Year :
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: will be issued in the near future. This report will :
: present data on rice shipments by States, by type of :
: buyer and by type of grain, similar to the earlier :
: report covering the 1955-56 marketing year. :
:
: When issued, copies may be obtained by writing to: :
: Office of Information, Agricultural Marketing Service, :
: U. S. Department of Agriculture, Washington 25, D.C. :
:
:

Table 14.- Rice, rough: Average prices per 100 pounds received by growers, for U.S. No. 1 and No. 2 grades, by varieties, Arkansas, Louisiana and Texas, August-February, 1953-57

Variety and year	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Arkansas							
<u>Arkrose</u>							
1953-54	---	---	---	---	---	---	---
1954-55	---	---	---	4.25	4.25	4.25	4.25
1955-56	---	---	---	4.60	4.40	4.40	4.45
1956-57	---	4.80	4.80	4.80	4.80	4.80	4.90
1957-58	---	5.10	5.20	5.20	5.10	5.10	5.10
<u>Blue Bonnet</u>							
1953-54	---	5.35	5.50	5.40	5.35	5.45	5.35
1954-55	---	3.95	4.40	4.35	4.45	4.50	4.50
1955-56	4.50	4.70	4.60	4.75	4.80	4.80	4.90
1956-57	---	5.00	5.00	5.00	5.00	5.00	5.10
1957-58	---	5.35	5.30	5.25	5.15	5.15	5.25
<u>Southern Pearl</u>							
1953-54	---	---	---	---	---	---	---
1954-55	---	---	---	---	---	---	---
1955-56	---	---	4.05	4.20	4.30	4.35	4.35
1956-57	---	3.95	4.45	4.45	4.45	4.45	4.45
1957-58	---	4.30	4.25	4.20	4.10	4.10	4.15
<u>Zenith</u>							
1953-54	4.75	4.75	4.95	4.75	4.70	4.75	4.75
1954-55	3.50	3.55	4.05	4.00	3.95	4.00	4.20
1955-56	3.90	4.05	4.25	4.30	4.35	4.40	4.55
1956-57	---	4.55	4.75	4.75	4.75	4.75	4.75
1957-58	---	5.00	5.10	5.15	5.05	5.05	5.15
Louisiana							
<u>Blue Bonnet</u>							
1953-54	---	5.25	5.85	5.80	5.80	5.70	5.65
1954-55	---	4.60	5.15	5.00	4.95	5.10	5.00
1955-56	4.50	5.00	4.95	4.75	4.95	4.95	4.90
1956-57	---	5.00	5.00	4.95	4.95	4.95	5.25
1957-58	5.50	5.45	5.40	5.35	5.25	5.30	5.35
<u>Century Patna</u>							
1953-54	---	5.05	5.60	5.55	5.55	5.50	5.40
1954-55	3.95	4.25	4.65	4.60	4.60	4.80	4.80
1955-56	4.20	4.55	4.60	4.40	4.40	4.30	4.35
1956-57	---	4.65	4.65	4.65	4.65	4.75	5.00
1957-58	5.05	5.00	4.95	4.85	4.75	4.80	4.85

Continued -

Table 14.- Rice, rough: Average prices per 100 pounds received by growers for U.S. No. 1 and No. 2 grades, by varieties, Arkansas, Louisiana, and Texas, August-February, 1953-57 - Continued

Variety and year	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>
Louisiana							
<u>Magnolia & Zenith</u>							
1953-54	5.20	4.80	5.25	5.45	5.45	5.40	5.40
1954-55	3.75	4.05	4.40	4.50	4.50	4.75	4.75
1955-56	4.00	4.60	4.65	4.55	4.70	4.60	4.55
1956-57	4.45	4.65	4.75	4.75	4.75	4.85	4.95
1957-58	5.00	5.10	5.20	5.25	5.15	5.15	5.25
<u>Rexoro</u>							
1953-54	---	5.75	6.10	5.90	6.00	6.20	6.10
1954-55	---	---	5.30	5.10	5.05	5.20	5.15
1955-56	4.70	5.20	5.00	4.95	5.05	5.05	5.00
1956-57	---	5.10	5.10	4.85	5.00	5.00	5.30
1957-58	---	5.75	5.85	5.80	5.75	5.70	5.70
Texas							
<u>Blue Bonnet</u>							
1953-54	5.60	5.40	6.10	6.00	6.00	5.90	5.80
1954-55	4.70	4.90	5.35	5.35	5.35	5.40	5.35
1955-56	---	5.20	5.10	5.05	5.25	5.10	5.05
1956-57	---	5.15	5.25	5.00	5.10	5.10	5.45
1957-58	5.50	5.50	5.45	5.35	5.20	5.30	5.40
<u>Century Patna</u>							
1953-54	5.50	5.30	5.90	5.80	5.85	5.70	5.60
1954-55	4.40	4.55	5.10	5.10	5.10	5.10	5.05
1955-56	---	4.85	4.65	4.45	4.60	4.50	4.70
1956-57	4.50	4.75	4.80	4.65	4.75	4.75	5.05
1957-58	5.05	5.00	4.95	4.80	4.70	4.80	4.95
<u>Rexoro & Texas Patna</u>							
1953-54	---	6.00	6.40	6.30	6.60	6.20	6.05
1954-55	---	5.50	5.80	5.75	5.70	5.70	5.65
1955-56	---	5.70	5.60	5.40	5.50	5.35	5.50
1956-57	---	5.40	5.50	5.20	5.25	5.25	5.60
1957-58	---	5.85	5.95	5.85	5.75	5.65	5.65

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